Advertising

- 1. Federal regulations relating to the advertising of distilled spirits, wine and malt beverages promulgated under the <u>Federal Alcohol Administration Act (27 U.S.C. 201-211)</u>, as now existing or as amended in the future, are hereby adopted as a part of this regulation to the same extent as if set forth herein, and shall, to the extent so adopted, govern the advertising of alcoholic liquors by manufacturers, certificate of approval holders, wholesalers, and retailers in Vermont.
- 2. All copy used in the advertising of alcoholic liquors, including malt and vinous beverages, and including inside and outside signs, shall comply with the current Federal Regulations regarding same, and shall additionally comply with those regulations hereinafter set forth. An advertisement shall not contain:
- a. Any statement that is false or misleading in any material particular.
- b. Any statement that is disparaging of a competitor's product.
- c. Any statement, design, device or representation which is obscene or indecent.
- d. Any statement, design, device or representation which includes violence in any form.
- e. Any statement, design, device or representation which is so appealing to persons under the legal age as to encourage the purchase, possession or consumption of alcoholic beverages.
- f. Any statement, design, device representing that the use of any malt or vinous beverage has curative or therapeutic effects, if such statement is untrue in any particular, or tends to create a misleading impression.
- g. Advertisement of two or more different brands or lots of malt or vinous beverages in one advertisement, or in two or more advertisements in one issue of a periodical or a newspaper or in one piece of other written, printed or graphic matter, if the advertisement tends to create the impression that representations made as to one brand or lot apply to the other or others, and if as to such latter the representations are in any respect untrue.
- h. Any statement, design, device or pictorial representation of or relating to, or capable of being construed as relating to the armed forces of the United States, or of the American Flag or of any emblem, seal, insignia, or decoration associated with such flag or armed forces; nor shall any advertisement contain any statement, device, design or pictorial representation of or concerning any flag, seal, coat of arms, crest or other insignia likely to mislead the consumer to believe that the product has been endorsed, made, or used by, or produced for, or under supervision of, or in accordance with the specifications of the government, organization, family, or individual with whom such flag, seal, coat of arms, crest or insignia is associated.

- 3. No person, partnership, or corporation shall display a sign of a first class, second class, third class, wholesale dealer's or bottler's license unless the person is actually the holder of the type of license he advertises.
- 4. Certificate of Approval holders and wholesale dealers may distribute bottle openers, can openers, and cork screws to retail dealers. These openers may carry the name of the manufacturer and/or brand name of the product. Retail dealers may distribute the openers to their customers with the sale of malt or vinous beverages. These openers are for the convenience of the public and not for advertising purposes.
- 5. Consumer advertising specialties, such as ash trays, bottles or can openers, cork screws, shopping bags, matches, printed receipts, pamphlets, cards, leaflets, recipe booklets, blotters, post cards, and pencils, which bear advertising matter may be furnished, given or sold to a retailer for unconditional distribution by the retailer to the general public. The retailer may not be paid or credited in any manner, directly or indirectly, for this distribution service.
- 6. Any malt or vinous beverage point of sale advertising shall be submitted to the Liquor Control Board for approval prior to its use by manufacturers, holders of certificate of approval, wholesale dealers, or retailers in Vermont.
- 7. Definitions for advertising, display or distribution service as used in the advertising regulations are:
- a. Manufacturers, holders of certificate of approval or wholesale dealers are prohibited from influencing or controlling the purchases of a retailer by paying or crediting the retailer for any advertising, display or distribution service, whether or not the advertising, display or distribution service received is commensurate with the amount paid by the retailer.
- b. An arrangement where manufacturer, holder of a certificate of approval, or wholesale dealer participates with a retailer in paying for an advertisement placed by the retailer constitutes paying the retailer for advertising.
- c. Manufacturer, certificate of approval holder or wholesale dealer payments to retailers as compensation for setting up product or other displays constitutes paying the retailer for rendering a display service.
- d. A promotion whereby a manufacturer, holder of a certificate of approval, or wholesale dealer rents display space at a retail establishment constitutes paying the retailer for rendering a display service.